

# EXHIBIT A

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UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

IN RE COLUMBIA UNIVERSITY            ) CA 04-01592  
                                          ) Boston, MA  
PATENT LITIGATION, ET AL            ) October 6, 2004  
                                          )  
                                          )

BEFORE THE HONORABLE MARK L. WOLF  
UNITED STATES DISTRICT JUDGE

APPEARANCES:

(As previously noted.)

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1 case or controversy. And there are two aspects of those  
2 -- of those cases that I would point to and which, I  
3 think, distinguish this case. One aspect is that in  
4 those cases and in Spectronics itself, the issue was  
5 presented and argued as to whether the potential grant of  
6 a reissued patent placed the declaratory judgment  
7 plaintiff at risk. And this is, of course, in a context  
8 in which I think we all understand the degree of  
9 adversity, the degree to which we have reason to expect  
10 that if Columbia can get a patent out of this --

11 THE COURT: Let me just go back to my question.

12 (Short pause.)

13 MR. GINDLER: I think you're thinking of GAF  
14 Building.

15 THE COURT: Maybe.

16 MR. WARE: There's discussion of that in  
17 Spectronics.

18 THE COURT: I know there is. Hold on just a  
19 minute.

20 (Short pause.)

21 THE COURT: GAF Building and Spectronics. Just  
22 so I understand you, Mr. Ware, you're going to  
23 distinguish the cases that have been decided, but you're  
24 not going to point me to a case where a case or  
25 controversy was found in a situation where no patent had

1 issued and there wasn't a question of a possible relation  
2 back that would create exposure or damages for present  
3 activity.

4 MR. WARE: I think that's correct because I  
5 think none of the cases have involved two factors which  
6 are present here. But if I could say something about  
7 Spectronics. Spectronics -- the court in Spectronics did  
8 note that there was no guarantee that the reissued patent  
9 would reissue, but the court did not rest its decision on  
10 that point but, rather, made an alternative decision and  
11 said that --

12 THE COURT: What page are you on?

13 MR. WARE: I'm on -- it's page 5 of the  
14 Westlaw, but I can't find -- 636, looks like, must be  
15 towards the bottom of 636. And the paragraph itself  
16 begins: There is, however.

17 THE COURT: Okay.

18 MR. WARE: And then it goes on. It says:  
19 Furthermore, even if Spectronics had an objectively  
20 reasonable apprehension about future suit based upon the  
21 reissued patent, we would be compelled to affirm the  
22 dismissal because --

23 THE COURT: Keep reading. That's exactly the  
24 key point, where you stopped.

25 MR. WARE: So here's the point that I wanted to

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1 make. What they're talking about is they couldn't tell  
2 whether something was potentially infringing because the  
3 defense that was raised in the Spectronics case was a  
4 non-infringement defense. And that makes perfect sense.  
5 If the patent hasn't issued, you don't know what the  
6 claim is, so you don't know whether you have present  
7 activity within the scope of that claim. That's because  
8 it's a non-infringement defense.

9 We have in this case other -- another defense,  
10 prosecution laches. Prosecution laches is a defense that  
11 is completely unrelated to the scope of the claims that  
12 come out of a future patent. If we are correct, that  
13 prosecution laches prevents the enforcement of the '275  
14 patent, it prevents the enforcement of any other patent,  
15 future patent, in that family. That factor was not  
16 present in any of the cases. So that there was always a  
17 problem in needing to know exactly what the claim  
18 language would be. And I think that this language in  
19 Spectronics actually reflects a recognition that the  
20 party could have an objectively reasonable apprehension  
21 about a future suit, in general. But the problem here  
22 was that they couldn't know whether it would cover their  
23 activity.

24 So they were not allowed to bring their  
25 non-infringement declaratory judgment action. They did

1     not have prosecution laches. There are no cases in this  
2     line of cases that deal with prosecution laches, which is  
3     a defense that has been flushed out fairly recently by  
4     the Federal Circuit.

5             So our point is that we don't need to know what  
6     the claims of the future patent are to be able to  
7     maintain and seek a declaratory judgment on prosecution  
8     laches.

9             THE COURT: All right. But what about the  
10    implications of what came next? Because it says --  
11    first, you'd have to persuade me that in view of this  
12    representation, covenant, that you have an objectively  
13    reasonable apprehension of a future suit based on the  
14    reissued patent. That would be, at a minimum, necessary.  
15    But then it says: We would be compelled to affirm the  
16    District Court's dismissal because Spectronics did not  
17    demonstrate that its present activity is potentially  
18    infringing any patent claim since it is immune to suit  
19    under the claims of '366 patent, and no reissued patent  
20    claims yet exist by which infringement vel non -- I could  
21    never understand vel non -- can be measured.

22            But as a practical matter, right now, you have  
23    -- your clients have no exposure -- your clients are  
24    never going to have to pay damages for anything they're  
25    doing now. The problem here -- in this industry -- and

1       they're going to talk about this in the state decision.  
2       You know, I think you've educated me to understand that  
3       some of the issues that might exist in other cases, you  
4       know, are big for the drug companies here. But it's not  
5       the potential that you're going to owe Columbia money for  
6       anything you're doing now. It's the potential that  
7       you're going to invest, and then maybe new claims will  
8       come out, and maybe it will turn out that you'll have to  
9       change what you're doing when those new claims come out  
10      or pay them royalties.

11               MR. WARE:   In this case, unlike in Spectronics,  
12      however, we do have the set of reissue claims, and we  
13      know they're very broad claims. We also have the set of  
14      claims in the '159 application. So that was a  
15      distinction.

16               THE COURT:   How do you know what claims are  
17      going to emerge?

18               MR. WARE:   There were no claims even to look  
19      at, I think, in the Spectronics --

20               THE COURT:   Where does it tell you that?

21               MR. WARE:   It says:   No reissued patent claims  
22      yet exist. I read that as referring to not even being  
23      able to look at an application.

24               THE COURT:   If you read the next sentence, it  
25      says:   There are sensible reasons why the existence of

1        issued patent claims presently, meaning now, enforceable  
2        at Spectronics are a requisite for litigation of a  
3        declaratory judgment action.

4                So, if that language that I just read represents  
5        the law, you haven't met that requisite.

6                MR. WARE: Well, I would suggest that it is a  
7        factual -- that the question is one that turns on the  
8        facts in particular cases. And if because -- the focus  
9        there is, well, you just have no idea if you're going to  
10       be covered by these claims. Well, we know from what the  
11       nature of these claims are -- they're claiming  
12       cotransformation of CHO cells. They can put different  
13       words into the claims here and there, but I don't think  
14       that anybody has any doubt that these claims are going to  
15       be directed at what the plaintiffs do.

16               THE COURT: Let me ask you this. In your view,  
17       if there's a reissuance with whatever claim you say  
18       you've read, would that be impermissible double  
19       patenting?

20               MR. WARE: Well, since we think all of these  
21       claims are impermissible double patenting over the  
22       earlier patents, in all likelihood, we would think that.

23               THE COURT: Okay. And you think that at least  
24       in part based on the evidence that you gave me in the  
25       preliminary injunction, right?



1 appellees: Because Spectronics has been absolved from  
2 liability on all the claims of the '366 patent, there  
3 will be no future confrontation with respect to them.

4 THE COURT: Now, again, this isn't rhetorical,  
5 and I apologize if I'm misunderstanding or misstating  
6 anything, but that's what I think Mr. Gindler told you  
7 your immunity is. It's only if there is a new claim that  
8 emerges, something that is not the same or substantially  
9 the same as the existing '275 claims, that your clients  
10 can have any liability even after -- I guess at the  
11 moment I'm putting aside the '159 -- but with regard to  
12 the '275. Did you understand the representation the way  
13 I just described it?

14 MR. HASSON: Your Honor, I should have been  
15 clearer. I was addressing exactly the '159. That was my  
16 intent. The reason that Spectronics is distinguishable  
17 in this regard is that there was a substantive admission  
18 of non-infringement with regard to the claims that had  
19 been stated in that patent. That would carry forward to  
20 those claims wherever they might emerge and under  
21 whatever number.

22 THE COURT: So your point is -- let me just see  
23 if I've got it. To the extent -- see, I don't have the  
24 '159 and the '275 in front of me. You say there are some  
25 identical claims -- some claims in the '159 that are

1 due, independent of the '275 application or '275 patent.

2 THE COURT: For the foreign patents?

3 MR. HASSON: I'm sorry.

4 THE COURT: For foreign patents?

5 MR. HASSON: No, your Honor. Columbia takes  
6 the position that some additional funds are owed by my  
7 clients having to do with some of the patents that  
8 expired in the year 2000.

9 THE COURT: Okay. Well, when he gets his turn  
10 to respond to all of this, Mr. Gindler will tell me why  
11 Amgen has got nothing to worry about.

12 MR. HASSON: Thank you, your Honor.

13 THE COURT: Except for anything they owed back  
14 in 2000.

15 Is there anybody else who would like to be  
16 heard?

17 MS. PRUETZ: Yes, your Honor, Adrien Pruetz for  
18 Genentech. I don't think I have anything to add to the  
19 argument that's been made on the '159. I think, though,  
20 that focusing on the language in Spectronics that Mr.  
21 Hasson pointed out to the court, the fact that in  
22 Spectronics the accused party was free of ever having to  
23 deal with a patent arising out of the invention claimed  
24 in the patent is not the situation here. And, for that  
25 reason, I think Mr. Ware argued that this court has

1 jurisdiction and should exercise it to go forward to  
2 decide the prosecution laches issue, because that would  
3 apply to any claims --

4 THE COURT: Actually, why does the covenant as  
5 Mr. Gindler described it today not assure that you'll  
6 never have to deal with a patent arising out of the  
7 intention claimed in the '275, putting aside the '159  
8 issue, which I said I thought you weren't referring to,  
9 or maybe you are. Are you referring to the '159?

10 MS. PRUETZ: No, I'm referring to the '275.

11 THE COURT: Well, Mr. Gindler's reliably  
12 represented today, if I understand it right, that the  
13 plaintiffs will never have any liability on the claims in  
14 the '275 or substantially the same claims if there's a  
15 reissuance that includes those claims.

16 MS. PRUETZ: I believe that's correct, your  
17 Honor. And if that were the only issue, I would  
18 completely agree that the court should not move ahead to  
19 decide any part of this case. But I think that there is  
20 another issue presented. The invention of the '275 is  
21 what's defined in the specification of the patent. And  
22 what Columbia is trying to do in the Patent Office in the  
23 context of reissue proceedings is get new and different  
24 claims off of the same old 24-year old invention. Now,  
25 there may be new and different claims that they can